

## § 932.1

932.50 General.

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932.52—932.59 [Reserved]

932.60 General.

932.61 Functions and duties of Office of Neighborhood Reinvestment.

932.62 Budget and expenses.

AUTHORITY: 12 U.S.C. 1422a, 1422b, 1426, 1427, 1432; 42 U.S.C. 8101 *et seq.*

### § 932.1 Charter.

A Bank's organization certificate.

[43 FR 46936, Oct. 11, 1978. Redesignated at 54 FR 36759, Sept. 5, 1989]

### § 932.2 [Reserved]

### § 932.3 Dividends.

The board of directors of each Bank may, with the approval of the Board, declare and pay a dividend from net earnings, including previously retained earnings, on the paid-in value of capital stock held during the dividend period. The divided period may be quarterly, semiannually, or annually ending on March 31, June 30, September 30, or December 31. Dividends on such stock shall be computed without preference and only for the period such stock was outstanding during the dividend period. Dividends may be paid in cash or in the form of stock.

[57 FR 6190, Feb. 21, 1992]

### § 932.4—932.7 [Reserved]

### § 932.8 General.

Directors shall be appointed and elected as prescribed in section 7 of the Act.

[54 FR 38591, Sept. 19, 1989]

### § 932.9 Director representing Puerto Rico.

Under section 7(e) of the Act, the Federal Home Loan Bank of New York shall have an additional elective director to represent members in Puerto Rico.

[54 FR 38591, Sept. 19, 1989]

### § 932.10 Definition of member.

For purposes of this part, the word "member" means an institution which was a member of such bank at the end

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of the calendar year preceding the election.

[54 FR 38591, Sept. 19, 1989]

### § 932.11 Location of member.

(a) Under section 7(c) of the Act, a member shall be considered located in the State in which it has its principal place of business. If a member's principal place of business is not in a State, the Board will designate a State in which such member shall be considered located, and may in its discretion change such designation from time to time.

(b) Members whose principal place of business is located in the Virgin Islands shall be considered to be located in Puerto Rico for the purpose of this part.

[54 FR 38591, Sept. 19, 1989]

### § 932.12 Report of stock investment.

Each bank shall, by April 15 of each year, report to the Board, on prescribed forms, the number of shares of bank stock each of its members was required to hold at the end of the preceding calendar year. Such number shall be conclusive for purposes of election of directors.

[54 FR 38591, Sept. 19, 1989]

### § 932.13 Designation and nomination of elective directorship.

(a) By June 15 of each year, the Board will:

(1) Notify each member of the number of elective directorships designated for the state in which the member is located; and

(2) Notify each member in each state for which an elective directorship is to be filled of its right to nominate an eligible person(s) therefore, and provide each such member the following:

(i) A list of members located in its state;

(ii) A current list of directors of the bank of which it is a member, containing the name of each director, the name and address of the member institution with which he is affiliated, and the expiration date of his term; and

(iii) The nominating certificate.

(b) Each member in each state entitled under these regulations to participate in the election of directors may by

resolution of its governing body nominate or authorize one of its directors or officers to nominate a qualified person for each directorship to be filled in its state. The nominating certificate must be received in the Federal Housing Finance Board by July 15.

(c) A letter will be sent to each nominee by August 5 informing him of his nomination. However, a nominee shall be ineligible to seek election pursuant to § 932.14 of this part and shall not be sent such letter if:

(1) He is then serving as an elective director whose term does not expire until after the close of the calendar year during which the election is being held.

(2) He is holding an appointive directorship unless the Federal Housing Finance Board has received from him, before July 15, notice of his intention to be a candidate for a directorship; or

(3) His institution does not meet any applicable minimum regulatory capital requirements as set forth by a member institution's appropriate regulatory agency.

With such letter will be sent a list of nominees and a copy of Form E-1. Each nominee must certify to the Board on Form E-1 by August 20 that such nominee meets all applicable eligibility qualifications for his election set forth in section 7 of the Act and this part. A nominee shall be eligible for election only if his name is so placed on the ballot.

(d) Notwithstanding other provisions of this section, if at any time when nominations are required, the members of a bank hold less than \$1 million of the capital stock of the bank, the Board will, in accordance with section 7(h) of the Act, appoint a director(s) to fill the place(s) for which nominations are required.

(e) In any Federal home loan bank district that comprises five or more states, the Board may increase the elective directorships to a number not exceeding thirteen. The designations and nomination of all elective directorships shall be undertaken in the manner set forth in this section.

[54 FR 38591, Sept. 19, 1989, as amended at 58 FR 31901, June 7, 1993]

#### § 932.14 Election of directors.

(a) By September 25, the Board will mail to each member in each state for which an elective directorship is to be filled a set of ballot materials in a form prescribed by the Board. The ballot will contain in alphabetical order the name of each candidate eligible to represent the members located in such state having complied with the provisions of § 932.13 of this part, the name and address of the member institution with which each candidate is affiliated, the candidate's title in the member institution, and the number of votes the member may cast, as determined under the provisions of paragraph (b) of this section.

(b) The number of votes each member may cast shall equal the number of shares of stock in the bank required by the Act to be held by such member at the end of the calendar year preceding the election, except that:

(1) A member that is the result of a merger or consolidation, occurring in the year of election, of two or more member institutions within the same state and Federal home loan bank district, may cast votes equal to the total number of shares of stock that the merged or consolidated institutions comprising it were required to hold as of the end of the calendar year preceding the election, and

(2) No member may cast votes in excess of the average number of such shares required by the Act to be held at the end of such calendar year by members in such state.

(c) Each member entitled to receive a ballot may, by resolution of its governing body, cast its votes or authorize one of its directors or officers to cast its votes for each of as many candidates as there are directorships to be filled. The ballot materials shall be sent to the Federal Housing Finance Board and must be received by October 25. No ballot may be changed after it is delivered to the Federal Housing Finance Board, which will preserve all ballots until the end of the next calendar year. Election ballots will not be opened until after 5 p.m., e.s.t., October 25. Only ballots executed on forms supplied by the Board will be considered.

(d) By December 31, the Board shall declare elected the candidate receiving